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The role of the United Nations system in supporting the efforts of African countries to achieve sustainable development

The role of the United Nations system in supporting the efforts of African countries to achieve sustainable development

Report of the Secretary-General**

Summary

Recent African initiatives for renewal and growth and for African ownership of its own development, together with the improved policy environment in many countries, provide a sound basis for building a real partnership between Africa and the international community to put the continent on the path to sustained growth and improved living conditions for its people. The United Nations system must play a key role in forging such a partnership. The challenge is to build on African ownership and sound economic policies. This can be done with an adequate mix of resources flows, debt relief and much-improved market access for African exports, combined with support for the diversification of the region's economies and the replication of success stories being implemented by or in collaboration with the United Nations system. The United Nations system is committed and ready to do its utmost in supporting the implementation of an integrated African-owned initiative to tackle the multiple challenges facing the region.

* E/2001/100.

** The present report aims to support the discussions of the Economic and Social Council at its high-level segment on the role of the United Nations system in supporting the efforts of African countries to achieve sustainable development. It should be read in conjunction with the conference room paper (E/2001/CRP.3) on this topic, which provides details on the operational activities of the United Nations system in Africa in line with the priorities found in the Cairo Agenda for Action and other recent Declarations of the Organization of African Unity.

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I. Policy conclusions and recommendations

1. The Secretary-General welcomes the recent initiatives to formulate a framework for Africa's economic and social development, being spearheaded by several African leaders. It is the Secretary-General's ardent hope that agreement will be reached on developing a single, integrated framework at the Summit of the Organization of African Unity (OAU) in July 2001. The United Nations system is committed and ready to do its utmost in supporting the implementation of an integrated initiative to tackle the multitude of challenges facing the region. The Secretary-General will ensure that the coordination of the activities of the United Nations system is further strengthened to ensure that its programmes reinforce and support the objective of achieving the targets set out in the Millennium Declaration. The Secretary-General will also ensure that the appropriate strategic direction continues to be provided to avoid duplication of efforts and a proliferation of initiatives, which do not correspond to the goals and plans being formulated by Africa's leaders themselves.

2. The 2001 high-level segment of the Economic and Social Council is an important occasion to give impetus to the efforts of the United Nations, the United Nations system and the international community at large, to better support African-owned development. The following conclusions and recommendations are submitted to assist in the Council's deliberation.

- The United Nations has a key role to play in supporting the efforts of African countries in achieving durable peace and sustainable development. It has played an important role in easing the transition to independence, helping these countries to put in place the requisite institutions and supporting their efforts to solve conflicts. The United Nations has kept the issue of Africa's economic recovery and development at the top of the international agenda, ensuring that, in addressing poverty eradication and sustainable development, attention is focused on the special needs of Africa. In addition to advocacy, the United Nations comparative advantage lies in policy development and advice culled from the best practices from its global store of knowledge from all regions.

- The United Nations system is thus uniquely placed to help to create the momentum for a renewed international partnership between Africa and the international community, rooted in the commitment of African leaders. The main tenets for this partnership must be substantially increased official development assistance (ODA) flows to the region, broader and deeper debt relief, and much-improved access to markets.

- There should be a better integration of United Nations system support with national development policies and programmes and a shift of inter-agency coordination increasingly to the regional level as key means to help to advance African leadership and ownership. Multilateral and bilateral partners with regional and subregional programmes should work closely with the United Nations system, in particular the Economic Commission for Africa (ECA), and the OAU to support initiatives for regional and subregional integration.

- There should be a further reinforcement of system-wide support for capacity-building in Africa, which should proceed in parallel with the development of comprehensive and coherent responses to crises that effectively combine peace-building, emergency assistance and longer-term development support measures.

- The United Nations Resident Coordinators and Country Teams should assist Governments in particular in ensuring consistency and harmonization of the country programming framework of the United Nations and of the Bretton Woods institutions. The United Nations and the Bretton Woods institutions should further strengthen their framework of cooperation, based on their respective competencies. To diminish the reporting and coordination burden on recipient countries, the Council could encourage the use of common country assessments (CCAs) by bilateral development cooperation agencies as well as the alignment of rules and procedures for programming used by all partners.

- Resources must urgently be mobilized to help to address the HIV/AIDS pandemic and other diseases and to strengthen health systems in the context of a broad development approach where

health sector reforms go hand in hand with poverty reduction and community participation.

- Building on the encouraging signs of progress to date, the United Nations system should play a more active role in encouraging public-private partnerships. In addition to the proposed public/private Global Fund for HIV/AIDS and health, public-private partnerships could play a role in the information and communications technology (ICT) sector, in natural gas exploration and development, in infrastructure development, in education and in conflict prevention and peace-building.

- African Governments need to continue their efforts to improve governance, to build accountable, transparent public institutions and to strengthen civil society organizations (CSOs). This will enhance their ability to develop their own development strategies, facilitate the broad-based participatory processes that engage all national stakeholders in the formulation, implementation and monitoring of national poverty reduction strategies and give credibility to greater domestic ownership of development assistance.

- The ability of the United Nations system to respond to the priority needs of African countries will ultimately depend on whether sufficient resources are made available to the system for operational activities. The Council could invite donor countries to substantially raise their voluntary contributions to United Nations Funds and Programmes for their activities in Africa.

- The need for donor countries to increase the volume and efficiency of ODA remains of paramount importance and should be reiterated. The Council could reiterate its call to implement expeditiously the Heavily Indebted Poor Countries (HIPC) Initiative and appeal to the international community to help African countries to find a lasting exit from their external debt situation. Flexible and innovative debt relief strategies should be applied for countries emerging from conflicts. The organizations of the United Nations system should intensify their support to African countries' reforms to attract foreign direct investment (FDI).

- In partnership with African countries and development partners, the United Nations system should support national and regional strategies for diversifying African economies. The United Nations should advocate for new trade rules that are conducive to diversification and foster food security. Likewise, it should help African countries to meet existing global quality standards for traded goods, but, at the same time, the range of standards imposed on products from developing countries in general and Africa, in particular, requires further examination.

- The Council could express its readiness to assist the General Assembly in monitoring the Millennium Declaration goals pertaining to Africa, notably on poverty eradication and sustainable development, debt relief, market access, ODA, FDI and transfer of technology.

II. Overview

A. The present situation in Africa

3. Africa's political, economic, social and environmental predicament is well known — the majority of countries in the region enter the twenty-first century as the poorest, least developed and least technologically advanced in the world. In the 1990s, conflicts and HIV/AIDS compounded the region's long-standing challenges and earlier limited gains were reversed. In all other developing countries, GDP per capita rose by an average of over one third during the decade, but in Africa it fell. Although accounting for 18.5 per cent of the world's population, the region produces only 3.5 per cent of global GDP and accounts for only 1.5 per cent of global exports. Africa receives less than 2 per cent of global FDI, but, in relation to GDP, it is the most externally indebted region in the world.

4. Despite these long-term difficulties, in the past few years the economic performance of some countries in the region has given cause for a greater degree of optimism. Circumstances and performance vary widely among countries but, despite the weak commodity prices of the past few years, some countries have begun to grow at rates, which, if sustained, would achieve the target of reducing extreme poverty by half by 2015. For the majority that have avoided conflict, there has been

a general improvement in domestic economic management and prospects for faster growth have improved.

5. The experience of Africa in the 1990s has demonstrated that peace, democracy, economic freedom and development are inseparable. Problems and weaknesses of development and democracy have been important ingredients in the conflicts that have arisen and the conflicts in turn have derailed development, and not only in the countries immediately involved. As the security situation in the region deteriorated, international assistance had to be channelled increasingly into peace keeping and humanitarian activities rather than longer-term development programmes. Bilateral and multilateral flows of ODA to Africa declined from $23.4 billion in 1994 to $15.3 billion in 1999. While the role and presence of the United Nations system in Africa has expanded dramatically during this period, there has been an overall decline in resources available for the United Nations operational activities for development, and the system's expenditures on development assistance to African countries fell by more than a quarter between 1992 and 1999.

6. Peace, democracy and development in Africa have to be pursued in an integrated and mutually reinforcing way with the support not only of the United Nations system but also of other partners in the international community. This was an underlying principle behind the Security Council's two Ministerial Meetings on Africa in the 1990s. The first, in September 1997, led to the Secretary-General's report to the Security Council and the General Assembly on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318). The second, in January 2000, addressed the threat to international security posed by HIV/AIDS. In addition, the Security Council has sent a number of missions to Africa, including the mission to Sierra Leone which also visited Guinea, Liberia, Mali and Nigeria (see S/2000/992) and the mission to the Democratic Republic of the Congo and the Great Lakes Region. Most recently, with the endorsement of the Security Council, the Secretary-General sent an Inter-agency Mission to West Africa (see S/2001/434).

7. The General Assembly itself has been following and guiding the implementation of the recommendations of the Secretary-General, as reflected in the report of the Open-ended Ad Hoc Working Group on the Causes of Conflict and the Promotion of Durable Peace and Sustainable Development in Africa (A/55/45)[1] and in General Assembly resolution 55/217. While recognizing the indivisibility of peace, democracy and development, the present report focuses on the development dimension, the area of responsibility of Economic and Social Council.

8. There is a global moral and ethical imperative to ensure that Africa's decline is reversed but, in embarking on this task, all concerned Africans and their Governments, international agencies, bilateral donors and the international and domestic private sectors have to ensure that they have learned from past mistakes. In looking to the future, it is essential to recognize, despite the poor performance to date and the sombre assessments, that there is significant potential for sustained growth and development in Africa. The recent experience of some countries which have resumed faster trends of growth and poverty reduction illustrates the positive impact, on social and economic performance, of democratization, of using natural resources as sources of export revenue and economic activity, and of applying these resources to expenditures on health, education and infrastructure and to diversifying exports. The challenge before African countries and peoples and the international community is to ensure that growth and poverty reduction permeate the continent.

9. One source of optimism on this score is the evolution in political leadership in many countries and the increasing willingness of the leaders and their populations to accept primary responsibility for their country's and the region's development. There is a new candour among African leaders in analysing the region's problems and renewed emphasis on collective action and accountability. An emerging consensus among African leaders on a common vision for the future is increasingly accompanied by efforts to harmonize and integrate their actions and to assert ownership of their development processes. Within many countries, political liberalization, more participatory forms of government and an improved relationship between the state and civil society, including the business community, have led to the adoption of more effective economic policies. In most African countries, budget deficits, trade deficits and inflation have been reduced and the domestic policy environment has changed significantly as a result of, inter alia, sounder domestic economic policies, trade

liberalization, privatization, pricing and marketing reform, and a more favourable attitude to the private sector, particularly FDI. These reforms have contributed importantly to the improved performance in a number of economies in the region in recent years.

10. Reflecting the international attention being devoted to Africa, there is a multiplicity of multilateral initiatives for the region. However, these often result in duplication and unnecessary competition, including competition for resources, which diminish their impact. African countries are increasingly weary of the proliferation of such initiatives. Moreover, while there may be differences in priorities and in assigning responsibilities for future actions, there is a large degree of similarity among the key themes of these initiatives.

11. African leaders themselves are increasingly taking the lead in articulating regional development initiatives. In 1995, they adopted the Cairo Agenda, which identified a number of regional priorities. In May 2000, they reached the long-desired goal of establishing an African Union. At present, the Presidents of South Africa, Nigeria and Algeria are spearheading an initiative for economic and social renewal known as the Millennium Partnership for the African Recovery Programme (MAP) and the President of Senegal is developing the Omega Plan for Africa. The joint conference of Ministers of Finance and Ministers of Planning, convened by ECA in Algiers from 8 to 10 May 2001, underlined the need for a single, integrated initiative to be adopted by the OAU Summit in Lusaka in July 2001. The United Nations system, including the ECA, stands ready to provide support for the implementation of the integrated initiative that will emanate from the regional processes.

12. While African countries, individually and collectively, bear the main responsibility for action on and implementation of their vision, the international community has an obligation to do its part to help them in their efforts. The initial elements of a renewed partnership between Africa and the international community — rooted in the commitment of African leaders to act together to promote effective policies and more comprehensive support from the international community — are there to tackle the challenges of the region.

13. In Africa, domestic savings alone will be inadequate to achieve and sustain the higher rate of economic growth necessary to meet the Millennium Declaration target of halving the poverty rate by 2015. To enable Africa to achieve this target, the basic foundation for the renewed partnership must therefore be substantially increased ODA flows to the region, broader and deeper debt relief, enhanced FDI and much-improved access to markets. Faster growth itself should attract further inflows, opening a virtuous circle.

14. Increased ODA, debt relief and market access should be treated in a comprehensive framework for financing development. ODA must be more effectively and efficiently utilized and focused on the causes of poverty in the region if the prospects of increasing it are to improve materially. Trade and diversification are also critical tools for enhancing development prospects. For trade to do its part, much more needs to be done to extend market access for all goods from African countries by further reducing tariffs and removing tariff escalation in order to encourage diversification. Additionally, greater efforts are needed to assist countries in taking advantage of market openings and to attract more FDI. The International Conference on Financing for Development, to be held in 2002, should address the special concerns of Africa in these areas.

B. The role of the United Nations system

15. In line with the spirit of the Millennium Declaration, the United Nations system has a key role to play in forging a new partnership for African renaissance and growth, both through its intergovernmental processes and in its operational activities.

1. General Assembly

16. In the 1980s, particular attention was focused on the region with the adoption of the United Nations Programme of Action for African Economic Recovery and Development (UN-PAAERD), succeeded by the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) in 1991. Since that time, all the global conferences of the United Nations have referred to the special needs of Africa and/or the 49 least developed countries (LDCs), 34 of which are in Africa. These high-level pronouncements culminated in chapter VII of the Millennium Declaration (General Assembly resolution 55/2), on meeting the special

needs of Africa. On that occasion, world leaders challenged the United Nations system to strengthen the broad range of its engagement in Africa with a view to intensifying support for poverty eradication and sustainable development, for combating diseases and pandemics and for the process of conflict prevention and consolidation of democracy and made the following commitments:

- To give full support to the political and institutional structures of emerging democracies in Africa.
- To encourage and sustain regional and subregional mechanisms for preventing conflict and promoting political stability, and to ensure a reliable flow of resources for peacekeeping operations on the continent.
- To take special measures to address the challenges of poverty eradication and sustainable development in Africa, including debt cancellation, improved market access, enhanced Official Development Assistance, and increased flows of Foreign Direct Investment, as well as transfers of technology.
- To help Africa build up its capacity to tackle the spread of the HIV/AIDS pandemic and other infectious diseases.

17. One of the responsibilities of the General Assembly, as called for in resolution 55/162, will be to monitor implementation of the Declaration, including the foregoing commitments regarding Africa. Because a key contribution of the international community to the future development of Africa will lie in the increased provision of, or access to, external resources, the Assembly may wish to give particular attention to monitoring progress in this regard as part of its monitoring of the Declaration.

18. In addition, the evaluation of UN-NADAF which the Assembly has scheduled for 2002 will provide an initial opportunity not only for a comprehensive intergovernmental review of developments in Africa over the past decade but also to adjust policies and practices in the light of the lessons learned.

2. Economic and Social Council

19. At the Millennium Summit, world leaders resolved "to strengthen further the Economic and Social Council, building on its recent achievements, to help it fulfil the role ascribed to it in the Charter". The responsibilities of the Council include, within its areas of competence, enhancing policy coherence and consistency and promoting international cooperation and coordination, particularly among the organizations of the United Nations system. The development challenges facing Africa are multifaceted and interlinked and are therefore an area where these aspects of the Council responsibilities are particularly pertinent.

20. Moreover, in its resolution 55/217, the General Assembly expressly requested Economic and Social Council to "consider ... the creation of an ad hoc advisory group on [African] countries emerging from conflict, with a view to assessing their humanitarian and economic needs and elaborating a long-term programme of support for implementation that l ins with the integration of relief into development".

21. Greater use should be made of the Council as a forum for dialogue on matters pertaining to Africa, especially regarding policy coherence and coordination. In the first instance, as part of its overall contribution to monitoring the follow-up to the Declaration, the Council may wish to assist the General Assembly in monitoring the implementation of the specific goals pertaining to Africa in the Millennium Declaration (see para. 17 above), including those pertaining to poverty eradication and sustainable development, debt, market access, ODA, FDI and transfer of technology. The inclusion of a section specifically on Africa in the Millennium Declaration reflects in part the fact that Africa faces special challenges and is likely to be the region where the attainment of the overall goals of the Declaration is most difficult. Similarly, the diversity of the region and of the actions required will make reporting on progress more complex. The Economic and Social Council could assist in this process and could report to the General Assembly as an input into the latter's overall assessments of progress towards the implementation of the Declaration.

3. System-wide support for African development

22. The United Nations system undertakes operational activities in every country in Africa. These activities embrace almost every aspect of development, with the specific mix depending on the system's resources and the needs of each country. As indicated above, the system's activities in Africa and of issues

related to their coordination and harmonization is presented to the Council in a conference room paper (E/2001/CRP.3). The activities of the United Nations system are increasingly guided by common approaches, particularly the objective of reinforcing African ownership of programmes and projects. The renewed international effort to accelerate development in Africa should build on African leadership, political commitment and ownership, both within individual countries and across subregions and the region. The diversity of development challenges in the region should be acknowledged and countries should be given the opportunity to translate Africa-wide approaches into priorities and strategies that accord with their specific country situations.

23. The United Nations has been a key source of external financing for sub-Saharan Africa and the region is the largest recipient of United Nations development assistance. However, as with bilateral ODA, United Nations assistance has been declining both in nominal and real terms because of cutbacks in voluntary contributions to core resources of the various United Nations Funds and Programmes. Over the period 1992-1999, just as African countries were facing their greatest challenges, particularly in the social sector, United Nations development assistance to Africa fell by 26.5 per cent, hampering the ability of the system to respond to the priority needs of these countries.

24. The decline in United Nations assistance was sharpest for the period 1992-1996 when it fell by 33.2 per cent. While there was an increase of 10 per cent for the period 1996-1999, it is still far below its 1992 level. A number of activities have been brought to the point where adequate financial assistance is critical to effective implementation; however, funding, including core resources, has not kept pace with the demonstrated needs. As part of the commitment to reach the internationally agreed development targets in Africa, donor countries should raise their voluntary contributions to United Nations Funds and Programmes.

25. It is imperative for the system to unite in support of an Africa-owned and Africa-led framework of action based on the rationalization and concordance of existing initiatives. Such a unified framework would enable the system to utilize its scarce resources more effectively; would facilitate monitoring of the system's performance in support of priorities established by Africans themselves; and should encourage donor countries to meet their commitments to Africa.

26. To strengthen system-wide support for the development and implementation of such a unified framework, the ACC at its first regular session of 2001, held in April in Nairobi, recommended the following steps:

(a) A comprehensive review and appraisal of existing United Nations system initiatives on Africa;

(b) Utmost restraint within the system in launching new initiatives until the completion of the forthcoming review of UN-NADAF;

(c) Promotion of bilateral donors' engagement in this rationalization effort and in the consolidation of initiatives;

(d) Utilization of the evaluation process of UN-NADAF as an important occasion to promote mutually supportive actions and engagements by all parties to the comprehensive and coordinated approaches advocated in the report of the Secretary-General entitled, "The causes of conflict and the promotion of durable peace and sustainable development in Africa" (A/52/871-S/1998/318) and the Millennium Declaration;

(e) Further reinforcement of system-wide support for capacity-building at the national level;

(f) Shifting the focus of inter-agency coordination increasingly to the regional level as key means to help to advance African leadership and ownership; and

(g) Engagement in a deliberate strategic effort to promote better integration of the African agenda with other agendas, from peace-building and poverty eradication to trade and finance, and ensuring, in particular, that forthcoming United Nations events, such as the International Conference on Financing for Development and the World Summit on Sustainable Development, maximize their support for African progress.

27. As an integral part of these efforts, the United Nations system is committed to intensifying its cooperation with and support for regional and subregional bodies in Africa. Other multilateral and bilateral partners with regional and subregional programmes should work closely with the OAU and the United Nations system, particularly the ECA, to

support initiatives for regional and subregional integration.

28. In accordance with the principle of national ownership, the organizations of the United Nations system should continue to respect the prerogative of African Governments to decide on the utilization of the resources available to them. Under the leadership of Governments, joint programming should be used as a modality at the country level to enhance collaboration and coherence of all United Nations system activities in Africa. The United Nations Resident Coordinator should assist Governments in ensuring consistency and harmonization of Poverty Reduction Strategy Papers (PRSPs), the World Bank's Comprehensive Development Framework (CDF) and Country Assistance Strategy (CAS), the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF). In order to enhance coordination and maximize the impact of their development assistance, the United Nations and the Bretton Woods institutions should further strengthen their framework of cooperation, based on their respective competencies and comparative advantages.

29. As proposed by the ACC, bilateral donors should join the United Nations system in enhancing coherence and coordination of development assistance in recipient countries by using the same policy frameworks and aligning rules and procedures for programme planning and implementation. Country-level approaches should be deepened and carried out by streamlined thematic groups covering key sectors to support Africa's priorities. To reduce transaction costs for recipient Governments, bilateral donors should use the CCA to promote policy coherence and join thematic groups.

30. In several countries in Africa, Governments are utilizing sector-wide approaches, for example, in health, education and agriculture. These approaches foster country ownership and donor coordination because they require that all partners support the single policy thrust articulated in the Government's own sectoral programmes. Within this framework, there should be a clear division of labour among all partners, including all bilateral and multilateral partners and civil society, according to their mandates and competencies.

31. Despite some 50 years of experience in development cooperation, donors' extensive and diverse procedures continue to impose a burden on recipient countries, diverting scarce resources from directly productive activities. The costs of reporting and coordination requirements often outweigh their potential benefits. As the largest recipient of ODA, Africa has the largest burden of dealing with the multiplicity of donor procedures, but the least administrative capacity to do so. In order to reduce this burden, all bilateral and multilateral partners should harmonize their programme cycles in each country with those of the recipient Government, should align the rules and procedures they use for programming amongst themselves and should streamline and harmonize their procedures for implementation. The United Nations system and the Resident Coordinator system should be proactive in these matters by harmonizing procedures among its own agencies, funds, programmes and other entities.

III. The challenges of sustainable development in Africa

32. A broad picture of the region suggests that, as the twenty-first century began, Africa was at an economic and political turning-point. The majority of countries had begun to pursue more appropriate economic policies, which contributed to reducing underlying macroeconomic imbalances and improving the environment for private sector activity. The implementation of these economic policies was generally accompanied by political liberalization and a movement towards democratic governance, which helped to improve the relationship between the state and civil society. These policies have led to an improved domestic economic environment and greater economic stability in the countries pursuing them and, since the mid-1990s, economic performance has improved.

33. Nevertheless, there remains wide diversity in the region. A group of 14 countries with a higher degree of political and macroeconomic stability and less distortion in their financial sector, are potentially in a position to "take-off" within 15 years. Of them, a limited number (5) grew at 7 per cent or above in 1999, which, if sustained, would reduce poverty by half by the year 2015. Too many countries, however, continue to grow at less than the rate of population growth (2.8 per cent) and are therefore failing to increase per capita income. In war-torn countries, growth prospects have

sharply declined for there is a serious deterioration in basic living conditions for the majority of their population.

34. Africa has still not been able to attract adequate levels of either local or foreign investment. Worse, Africa's place in the global economy has been eroded and the region stands in danger of being excluded from the information revolution. Although accounting for 18.5 per cent of the world's population, the region produces only 3.5 per cent of global GDP and 1.5 per cent of global exports, with declining export shares in traditional primary products, little diversification into new lines of business, and massive capital flight and loss of skills to other regions.

35. The gains made in human development in the 1960s and the 1970s are being reversed by HIV/AIDS and old scourges like malaria, tuberculosis and other infectious diseases. At 41 per cent, the illiteracy rate is high compared to the rest of the world and inadequate to meet the challenges of an information-based globalizing economy. Demographic growth also remains high in most countries and, despite the expected high-level of premature deaths due to HIV/AIDS, there are 20 countries in the region where the population is expected to double in 35 years. Furthermore, through the rapid exodus of rural populations to the continent's cities, Africa has the largest rate of urban population growth in the developing world, putting increasing stress on social services, institutional and physical infrastructure. The persistence of political instability and armed conflicts has also posed a major challenge for several countries. Despite a few successes in the numerous efforts to resolve many of these conflicts, durable peace remains an elusive goal for some countries.

A. Improving governance and preventing conflict

36. The 1998 report (A/52/871-S/1998/318) highlighted the diversity and complexity of the sources of conflict in Africa. Key among such sources highlighted in that report are insufficient accountability, lack of transparency, inadequate checks and balances, and non-adherence to the rule of law. The reliance on highly centralized forms of governance and the politics and the politicization of religious, ethnic and other differences, and exclusionary practices based on these differences, have also contributed to creating an environment for conflict to escalate to armed violence. Conflicts have also been fed by competition over mineral and other natural resources, often fanned by outside economic interests.

37. A range of responses and resources is required, both in the short and longer term, and both from within and outside Africa. In the short term, the recommendations of the report of the Panel on United Nations Peacekeeping Operations (Brahimi Report) (A/55/305-S/2000/809), are being implemented with a view to enhancing the effectiveness of peacekeeping operations in the region. In the long term, the United Nations system, with the support of the international community, should assist African countries in engaging in proactive conflict prevention. Although only a limited number of countries in Africa are currently experiencing armed conflict, the conditions that precipitate violence, such as poverty and exclusion, are present in many of them. Peace-building is one of the key tools of prevention that can be applied to pre-conflict and post-conflict countries and would therefore be relevant and useful in a significant number of them. The instruments of peace-building are also wide and varied and can be fine-tuned to the specificity of the situation. These instruments typically include disarmament, demobilization and reintegration of former combatants, human rights education and national reconciliation but also embrace improved governance, building accountable, transparent institutions, including strengthening civil society organizations and their role in development, and the creation of productive employment and income-generation.

38. An effective way for the United Nations to assist African countries in the area of peace-building is to combine peace-building, emergency assistance and longer-term development support measures in a comprehensive and coherent response. This can be most effectively done at the subregional level. Africa's domestic disputes all have regional and subregional dimensions, from arms and refugee flows to the overt or covert interventions of neighbours. In most of the subregions of Africa over the last two to three decades, large movements of refugees have put enormous pressure on infrastructure, the environment and the scare resources of countries receiving them, including more recently West Africa, the Horn of Africa, as well as Central Africa. Given that political instability and conflicts continue to undermine the success of national

development programmes, including the success of United Nations activities in the field, an integrated subregional approach to conflict prevention and peace-building for economic and social development is urgently required.

39. The Inter-Agency Task Force on West Africa, created to take stock of the priority needs and challenges of the subregion, undertook a mission to the region in March 2001 and recommended, among other things, that a United Nations subregional office for West Africa be established. Building upon this recommendation, other United Nations subregional offices could be created. These offices could assist the United Nations system in setting integrated policies and strategies for implementation, ensure the harmonization of United Nations system activities in the political, security, human rights, humanitarian and development areas, lend support to national and subregional peace-building efforts, promote the integration of a conflict-prevention dimension in national and subregional activities and provide support to subregionally owned initiatives. The implementation of this recommendation would be a concrete demonstration of how the integrated approach described in the report on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318) could work.

B. Mobilizing resources for eradicating poverty

40. The eradication of poverty is a complex and difficult task because it is multidimensional in nature, affected by and impinging on domestic political and economic policies, natural disasters, environmental pressures, and the international environment. The stakes are enormous because poverty creates the conditions where conflicts easily escalate into violence. In Africa, unlike other regions where the rate of poverty is falling, the proportion of people living in extreme poverty is rising, with approximately 52 per cent of people living on less than $1 per day. In this context, reducing poverty is the biggest development challenge facing African countries in the quest for durable peace and sustainable development.

41. The Millennium Declaration target of reducing poverty by half by 2015 would require African countries to grow, on average, at a rate of 7-8 per cent per annum. With a domestic savings rate of 18 per cent (compared to a desired rate of 25 per cent), African countries will be unable, in the short term, to mobilize the resources required to achieve this rate of growth from their savings. Against this backdrop, a number of measures will have to be taken to mobilize external resources in the short to medium term. The 1998 report on Africa identified five priority areas that would help in this regard, namely, the conversion of remaining bilateral debt into grants for the poorest African countries, the widening of the HIPC Initiative to benefit more countries, encouraging private investment in Africa, increasing the volume and improving the quality of ODA and keeping markets open.

1. Debt relief

42. One important source of financing for poverty reduction is debt relief. With the present value of debt as a proportion of the exports of goods and services exceeding 200 per cent for most countries, the region's debt is unsustainable. For this reason, the United Nations continues to strongly support all efforts for debt relief. While the Enhanced HIPC will provide relief, it is imperative that African countries find a lasting exit from their external debt situation if they are to meet the growth requirements required to reach their development goals. The cancellation of debt for the poorest countries could also be considered to allow them to concentrate their resources on poverty reduction programmes.

2. Foreign direct investment

43. Unlike in some other developing countries, particularly in Asia and Latin America, private capital flows have not contributed to filling the resource gap in Africa. Because of Africa's perceived riskiness, it has been largely marginalized from international private capital markets over the past decade. In 1999, Africa attracted only $10.3 billion, or 5 per cent of the total flow of $207.6 billion in FDI to developing countries. The challenge for African countries is to engender confidence in their economies, including by ensuring greater transparency, accountability and the rule of law. African countries need to strengthen key institutions, such as the civil service and the judiciary, so as to establish the requisite environment for attracting private resources. They should also improve infrastructure, strengthen financial intermediation, and upgrade human capital. A number of United Nations

organizations are currently involved in a number of projects to support these goals but more needs to be done to replicate the good practices from other regions.

3. Official development assistance

44. Given that the majority of African countries are unable to attract adequate private flows, ODA will continue to be the most important source of financing for development. Recent evidence shows that foreign aid has a strong, positive effect on a country's economic performance if the country has put in place appropriate policy and structural reforms. However, despite robust economic growth in industrial countries improving policy environment in many African countries in recent years, the volume of ODA to sub-Saharan Africa has continued to fall, from a high of $15.7 billion in 1992 to $11.4 billion in 1999 and per capita from $32 in 1990 to $18 in 1998. In addition to increasing ODA, coordinating its delivery and untying it from procurement in donor countries would help to improve its effectiveness. Five donor countries — Denmark, Luxembourg, the Netherlands, Norway and Sweden — are currently meeting or exceeding the target of 0.7 per cent of GNP to ODA. The entire donor community should support these efforts by increasing the volume and efficiency of assistance, targeting it to those areas that can provide a catalyst to development, especially capacity-building and infrastructure support.

4. Market access

45. African countries need improved access to the markets of key countries if they are to diversify their economies and develop. While some concrete initiatives to improve market access were announced at the Third United Nations Conference on the Least Developed Countries, a combination of continued protection, subsidies, quality and technical standards imposed by importing countries means that access to international markets remains difficult. African countries still face high tariffs on some exports, such as textiles and clothing and some agricultural products, in which they have a comparative advantage. In some cases, the rules of origin for some imports give countries little flexibility and little room for manoeuvre in trying to expand their exports. This has the effect of denying preference even though it formally exists.

46. The range of standards imposed on products from developing countries in general and Africa in particular, especially those that exceed internationally accepted regulations, should be re-examined. A recent World Bank study[2] showed that the "precautionary principle" in food safety standards used by one of Africa's main trading partners will save 2 lives for every 1 billion people and could cost 9 African countries $700 million in lost exports. In addition, industrialized countries spend more than $300 billion a year on agricultural subsidies (roughly equal to the GDP of sub-Saharan countries and 20 times larger than the amount of ODA they receive). This question requires further examination. At the same time, the United Nations should do more to help African countries meet global quality standards for traded goods.

C. Food security and increasing productivity in agriculture

47. Agriculture is fundamental to sustainable development in Africa because of the size of the agricultural sector and the extent of rural poverty, hunger and malnutrition. As the region that is home to most of the world's poorest countries, it is not surprising that Africa is also the most undernourished. According to FAO projections, sub-Sahara Africa will be the region furthest from reaching the target of halving the number of malnourished people by 2015. Higher productivity in agriculture can promote economic development and reduce hunger and malnutrition through several channels: by increasing food production and lowering food prices; by improving nutrition and increasing labour productivity; by increasing incomes and generating employment; by creating demand for manufactured goods and services; by providing labour and capital for the development of other sectors; and by earning foreign exchange.

48. Agricultural productivity is low in Africa and agricultural output per capita has been stagnant for three decades. In addition to environmental degradation and lack of access to water in arid and semi-arid regions, one of the main reasons for the poor performance of African agriculture is the absence of a green revolution. The Green Revolution in Asia was made possible by an international publicly financed research programme that developed high-yielding varieties of wheat and rice, which responded very well to fertilizers and controlled water management. These varieties were, however, not very suitable for Africa's conditions regarding climate (e.g., variability of rain),

soil and diseases. There is a need to focus research on the development of drought-resistant, low-risk and low-cost innovations for rainfed food agriculture. Biotechnology has a crucial role to play in this regard.

49. A number of other examples already exist of work being done by United Nations agencies or in collaboration with them, that if replicated, could make a difference to food security and poverty reduction. As noted in the conference room paper (E/2001/CRP.3), the development of New Rice for Africa (NERICA) by the West African Rice Development Association (WARDA), by crossing Asian and African rice species, has resulted in a new rice which can grow in dry conditions, resist pests and tolerate nutrient deficiency like the African species while producing relatively high yields like the Asian species. Other development partners could support the replication of NERICA in other subregions and offer tax incentives to firms undertaking research in other staple crops. The work being done by the IAEA and FAO to create tsetse-free zones in sub-Saharan Africa is also making an important contribution to increasing agricultural productivity in rural areas. The tsetse fly, which transmits sleeping sickness, kills livestock, depriving small farmers of the use of these animals for draft power. Support to control this vector, found only in Africa, would be a useful contribution to reducing rural poverty.

50. In April 2000, the Secretary-General established the Inter-Agency Task Force on the United Nations Response to Long-Term Food Security, Agricultural Development and Related Aspects in the Horn of Africa. In October 2000, the Task Force launched a 10-year strategy to respond to the cycle of famine and under-nourishment in the Horn of Africa. It is anticipated that country food security programmes will be put in place by mid-2001 in the countries concerned. A regional food security programme to address broader issues such as conflict resolution and trade will complement country programmes. The World Bank has agreed to coordinate resource mobilization for the implementation of the strategy.

51. In addition to replicating these good examples, improving agricultural productivity in Africa will require investments in education and infrastructure and the development of institutions that provide credit, inputs and extension services. The development of these institutions, in combination with land reforms in certain countries will enhance the prospects of the rural non-agricultural sector. Developing agro-based industries would also help to enhance productivity in the agriculture sector and improve the prospects for food security in the region.

D. Diversifying Africa's economies

52. African countries are, on average, rich in natural resources and therefore possess the basis to structurally transform their economies. By increasing the volume and value of production and trade, countries can narrow the resource gap for financing development. An effective way to increase the value of production and trade is to process the region's abundant primary commodities, moving into higher value-added resource-based industries, concentrating on those products for which there is rising demand. An industrialization strategy that focuses on labour-intensive manufactured exports would also directly address the need for remunerative and productive employment, reducing both absolute and relative poverty and securing peace and stability. By developing other sectors, including manufactures and services, diversification could also help to cushion internal and external shocks.

53. Although the new rules-based system opens up possibilities for diversification, African countries confront a number of problems in managing globalization and improving prospects for diversification. Regional integration is one way to enhance the prospects for diversification in the short to medium term. By spreading the costs of common infrastructure (transport, telecommunications and energy), and in permitting greater economies of scale, African countries can reduce the high costs of production. Widening the market also expands the pool of entrepreneurial talent and relevant skills, and attracts FDI. This is an opportune moment for the United Nations, in partnership with African countries and development partners, to support national and regional strategies for diversification.

E. Rehabilitating infrastructure

54. One critical task with respect to diversification is the rehabilitation of infrastructure. Over the last two decades, a combination of economic crisis and/or civil war, in addition to poor maintenance, have contributed to the deterioration of physical infrastructure in many

African countries. The high transaction costs related to unreliable and expensive power supply and telecommunications and poor transport infrastructure have undermined the development of productive capacities of African economies, contributing to the marginalization of the region in world trade, finance and investment. It has also contributed to a poor supply response to structural adjustment policies and the failure to diversify. Because of its capital-intensive nature, rehabilitating and modernizing the region's transport, telecommunications and energy infrastructure will be possible only by joining forces with the private sector, including from other developing countries which have made great strides in this area. The United Nations should intensify its efforts to help build infrastructure.

F. Strengthening human capital

55. One of the greatest challenges to meeting national development goals in Africa is the precarious state of human capital. Generating growth in a knowledge-driven economy requires that the labour force be healthy and skilled, able to adapt the new technologies to the needs of national development as well as innovate. Recent reversals in the substantial progress achieved in health and education over the last half century suggest that the challenge will remain a daunting one.

1. Health

56. Africa is currently facing a disease burden of historic proportion; this is contributing to poverty while at the same time being exacerbated by poverty. Hunger and malnutrition leave people more vulnerable to disease and are contributing to the re-emergence of preventable diseases, putting pressure on already depleted national health budgets. Diseases like malaria, sleeping sickness, lymphatic filariasis, yellow fever, dengue, dengue haemorrhagic fever and river blindness associated with Africa's climatic and ecological location continue to keep productivity low. Malaria alone kills 1 million people each year, but also has staggering economic costs. A study by the Center for International Development at Harvard University[3] shows that countries with intensive malaria grew 1.3 per cent less per person per year and that a 10 per cent reduction in malaria is associated with 0.3 per cent higher growth. Overall, the study shows that Africa's GDP would be up to 32 per cent greater if malaria had been eliminated 35 years ago.

57. The case of HIV/AIDS is particularly alarming, threatening the social and economic fabric, and the political stability, of whole nations. An estimated 25.3 million Africans are living with HIV/AIDS and there are currently over 10 million young people orphaned by AIDS in Sub-Saharan Africa. By overwhelming Africa's health and social services, by creating millions of orphans, and by decimating health workers and teachers, AIDS is causing major social and economic crises. Life expectancy among sub-Saharan Africans is now expected to drop by 15 years by 2010 in some countries. Other development indicators, such as education levels and economic development, have similarly been affected throughout the region. One of the key outcomes of the African Summit on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases, held in Abuja, Nigeria, in April 2001, was the commitment by African countries to allocating at least 15 per cent of their annual budget to the improvement of the health sector with an appropriate amount for the fight against HIV/AIDS. Since a substantial portion of the African population uses traditional medicine for ailments ranging from mental illness to HIV/AIDS, it is vital that African Governments integrate traditional medicine into their national health systems.

58. The Secretary-General has taken personal leadership of the campaign against HIV/AIDS in Africa, working with African and donor Governments, the pharmaceutical industry and foundations to put in place a global strategy to confront the greatest challenge to Africa's development. The Secretary-General has recently appointed a Special Envoy for HIV/AIDS in Africa to support African leaders and the United Nations in the fight against HIV/AIDS. He has proposed the creation of a global fund for HIV/AIDS and other infectious diseases, with some of the funds being devoted to the strengthening of health systems. Without functioning health systems, proven and effective health sector interventions cannot be effectively implemented. In addition, supporting and strengthening health/medical research institutions in Africa, including research into traditional medicine is an urgent priority. Easing the disease burden in Africa will require a very broad development approach where health sector reforms go hand in hand with poverty

reduction, conflict prevention, and community participation, particularly of women.

2. Education

59. At a time when information and skills and the ability to manipulate them have become a source of wealth, African education is in crisis. The latest available data show that the primary gross enrolment ratio is still below the level reached in 1970, an indication of the deterioration of public services generally and education in particular. Only about 10 countries have achieved universal primary education. Secondary and tertiary enrolment is also far below that of other developing regions. Far from being a tool for the social and economic transformation of the region, African education systems have found it increasingly difficult to provide even basic schooling. Furthermore, the quality of education is generally viewed to be poor and the curricula irrelevant to the needs of the new global economy. Despite the need for a strong scientific and technological capacity, Africa has only 20,000 scientists and engineers, or 0.36 per cent of the world total; its share of scientific publications is 1.5 per cent while that of patents is close to zero.

60. The Millennium Declaration reconfirmed the commitment made at the World Education Forum in Dakar, April 2000, that the basic learning needs of all children, young people and adults, wherever they may live, will be met by 2015. The challenge of meeting these goals is greatest in Africa. As many as 22 countries in the region are unlikely to reach the target of universal primary enrolment by 2015 unless serious action is taken; in 7 of these countries, around half of all children of primary age are currently not in primary school. In 12 countries, primary enrolment has increased over the decade, but at a rate that will be insufficient to ensure that all children are in primary school by 2015. It is estimated that possibly 30 per cent of those currently not in primary school will never learn to read and write.

61. Often built on a weak physical and institutional base, education systems in many African countries are vulnerable to natural and man-made disasters that have hindered progress and, in some cases, even rolled back the achievements already won. HIV/AIDS, armed conflicts and poor economic management continue to have devastating effects on education in Africa. One of the troubling by-products of these problems has been the emigration of skilled manpower from the region. According to the ECA, Africa lost 60,000 professionals (doctors, university lecturers, engineers, etc.) through emigration in the period 1985-1990 and has since been losing an average of 20,000 skilled professionals annually. This situation reinforces the need for improved governance on both the economic and political fronts as well as special measures to encourage the return of skilled Africans to the region. The United Nations will also expand the work that has begun to develop the region's indigenous scientific knowledge, such as the medicinal uses of plants, so that it can be exploited for the region's economic benefit. New and innovative measures also have to be taken to ensure that African countries reach the international development goals in education. The Brazilian Bolsa-Escola (school bursary) programme, which provides a stipend to families to send and keep their children to school, and has shown results in other countries where it has been tried, should be replicated in low-enrolment countries in Africa. In addition, the United Nations and other development partners should support regional centres of excellence for research and development, also encouraging the regional specialization of academic training in order to maximize synergies and resources.

3. Expanding public-private partnerships

62. Strengthening human capital for Africa's sustainable development will require a coordinated effort, including public-private partnerships to mobilize financial, technical and other resources in support of community-based interventions. Globalization has brought with it the possibilities for more effective partnerships with civil society, including the private sector and foundations. Global private flows far exceed ODA and the value of the assets of some of the richest individuals far exceed the GDP of some of the poorest countries.

63. The United Nations has already begun to extend its partnership network to global civil society, including foundations, the private sector and NGOs, to mobilize around what can be considered global public goods, including health, education and technology. In the health sector, the United Nations system, led by WHO, UNAIDS, UNICEF and the World Bank, the Global Alliance for Vaccines and Immunizations (GAVI), the Medicines for Malaria Venture, the Global Alliance for TB Drug Development, as well as the United Nations (Ted Turner) Foundation and the Bill

and Melinda Gates Foundation, is mobilizing private sector resources to finance the development of vaccines and drugs. In education, the Carnegie Corporation, the Ford, Rockefeller and MacArthur Foundations have joined together to launch a $100 million initiative known as the "Partnership to Strengthen African Universities", in support of higher education in a number of sub-Saharan African countries. The United Nations will seek to broaden and expand these partnerships to include other sectors, including technology, specifically to help African countries to bridge the digital divide.

64. The United Nations remains committed to continuing to play a leading role in assisting African countries to achieve sustainable development and to ensuring that the special needs of the region remain at the top of the international agenda. It welcomes the new consensus that the efforts of all development partners be devoted to implementing African-owned and African-led initiatives and programmes. In this regard, because of its historical role in the region and its comparative advantages, it can facilitate and coordinate the support measures that are now being put in place by traditional and new partners for development, including the private sector and foundations. In doing so, the United Nations will endeavour to more effectively build national capacity and institutions so that the region can fully assume the ownership of its development.

Notes

[1] *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 45* (A/55/45).

[2] Tsunehiro Otsuki, John S. Wilson and Mirvat Sewadeh, "Saving two in a billion: A case study to quantify the trade effect of European food safety standards on African exports", Development Research Group (World Bank, 2000).

[3] John Luke Gallup and Jeffrey Sachs, "The Economic Burden of Malaria", CID Working Paper No. 52, July 2000 (see http://www.cid.harvard.edu/cidwp/052.htm).